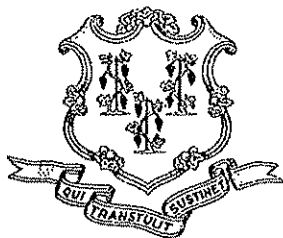


**SENATOR DONALD J. DEFRONZO**

Legislative Office Building, Room 2300  
Hartford, CT 06106-1591  
Tel. (860) 240-0595  
DeFronzo@senatedems.ct.gov



**State of Connecticut**

**SENATE**  
*Sixth District*

*Chief Assistant Majority Leader*

*Chair*  
Transportation

*Member*  
Environment  
Finance, Revenue & Bonding

August 2, 2010

Jeff Parker  
Commissioner, Department of Transportation  
2800 Berlin Turnpike  
Newington, CT 06111

Dear Commissioner Parker:

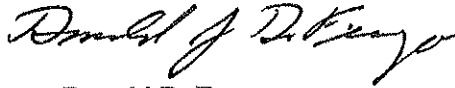
We have been made aware of a potentially serious problem concerning the need to obligate \$300 million in Federal Highway Administration funding. It is our understanding that normally the great bulk of these funds would be allocated throughout the year for any number of important state highway or bridge projects. By carrying these funds forward to this late point in the federal fiscal year, we may have lost the opportunity to initiate and complete many highway projects during the height of the 2010 construction season. The optimal goal is to not only obligate funding, but to utilize it in a timely fashion to accomplish transportation priorities and stimulate higher levels of employment in Connecticut's depressed construction industry. It appears that DOT has attempted to segregate the \$300 million and reserve its use for major DOT projects beyond the end of the federal fiscal year, a policy which risks future use of those dollars.

If our understanding is correct, is it customary for DOT to reserve such large sums for major projects? What is the rationale for such a policy? We are asking you to clarify the current status of this \$300 million. Specifically, why wasn't this money obligated early in the federal fiscal year to ensure its use in the spring and summer of 2010? What are the chances that Connecticut may lose this \$300 million? What highway or bridge projects were deferred by the DOT as a result of this policy?

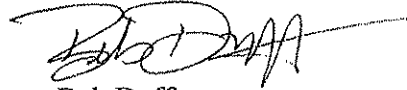
Is it, at this late stage, practical to obligate \$300 million before the end of the federal fiscal year? If so, would that obligation of funds result in actual work being done in the remainder of the construction season? What projects will be obligated? How many construction jobs could have been created this season if federal funds had been obligated last fall, early in the federal fiscal year?

Clearly this is an important issue with significant ramifications for DOT and the state transportation plan. For these reasons, we would appreciate your cooperation in answering these questions prior to Wednesday, August 11.

Sincerely,



Donald DeFronzo  
State Senate 6<sup>th</sup> District  
Chairman Transportation Committee

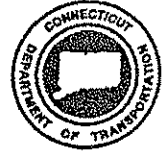


Bob Duff  
State Senate 25<sup>th</sup> District  
Vice Chairman Transportation Committee



STATE OF CONNECTICUT  
DEPARTMENT OF TRANSPORTATION

2800 BERLIN TURNPIKE, P.O. BOX 317546  
NEWINGTON, CONNECTICUT 06131-7546



Office of the  
Commissioner

An Equal Opportunity Employer

August 9, 2010

The Honorable Donald J. DeFronzo  
State Senate, 6<sup>th</sup> District  
Chairman, Transportation Committee

The Honorable Bob Duff  
State Senate, 25<sup>th</sup> District  
Vice Chairman, Transportation Committee  
Legislative Office Building  
Hartford, CT 06106

Dear Senators DeFronzo and Duff:

This is in response to your August 2, 2010 letter regarding the status of the Department of Transportation's (Department) Federal Fiscal Year (FFY) 2010 Federal Highway Administration's (FHWA) apportionment and the Department's plans to utilize the remaining fund balances.

Be assured there is no risk that Connecticut will lose any of the current FHWA program balances. The Department has recently submitted a plan to FHWA which demonstrates the Department's ability to fully utilize all remaining funds, plus an additional \$34.9 million, if the obligation authority is made available at year-end. These plans are routinely submitted to FHWA by the Department.

The Department welcomes the opportunity to explain the complex FHWA obligation process and the strategy that the Department utilizes to maximize annual apportionments. In the interim, I am hopeful the following will address the questions you have raised.

The 2010 FHWA apportionment was appropriated under a series of Continuing Resolutions (CR). This resulted in funds being incrementally appropriated under four short-term CRs through April 2010, at which time the Department finally received the full FFY 2010 apportionment. Until that time, the Department received CR authority which, when annualized, would have resulted in an annual apportionment that would have been \$100 million less than the FFY 2009 funding level. Up until April 2010, there were no assurances that this projected shortfall would ultimately be corrected. During the first two quarters of FFY 2010, major projects under construction required ongoing financing from the CR funding to keep pace with

The Honorable Donald J. DeFronzo  
The Honorable Bob Duff

- 2 -

August 9, 2010

expense projections. The overall financial uncertainty created by the lack of a long-term federal transportation program dictated a cautious, rather than "business as usual," approach.

It is important to note that FHWA funds are expected to continue to be appropriated under a CR through December 31, 2010. At this time, the current CR expires. Therefore, it continues to be unclear the total value of the Department's FFY 2011 FHWA apportionment. It is uncertain whether there will be a new federal authorization or another CR. This circumstance creates a challenge, given the aggressive five-year plan the Department is implementing, and the need to honor existing contractual obligations and proposed contract awards. Nevertheless, the Department is committed to ensuring that those jobs, which are most important to Connecticut's transportation infrastructure, are funded first.

As you know from viewing the financially constrained five-year strategic plan, the Department is on an aggressive path to complete the Q-Bridge (Contract B - \$548 million, Contract E - \$648 million) and the Moses Wheeler Bridge (estimated at \$373 million) over the course of the next five years. The Department's annual FHWA apportionment for FFY 2010 is approximately \$423 million. The Department will have to continue to use innovative strategies to fund such unprecedented mega projects and other smaller scale priorities within the funding levels available over the next five years.

Sincerely,



Jeffrey A. Parker  
Commissioner